

Towards Sustainable Growth



بورصة الكويت
BOURSA KUWAIT

20
22

Sustainability
Report





His Highness
Sheikh Mishal Al-Ahmad Al-Jaber Al-Sabah
The Crown Prince of the State of Kuwait



His Highness
Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah
The Amir of the State of Kuwait

A large yellow crane structure, likely part of a bridge or port infrastructure, extends diagonally from the bottom right towards the top right of the frame. The crane is set against a vast, deep blue body of water that stretches to the horizon. Above the water, the sky is a clear, bright blue with some very light, wispy clouds. The overall scene conveys a sense of scale and industrial activity in a coastal or maritime setting.

Overview





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About this Report

This report is Boursa Kuwait's second Sustainability Report covering the company's Environmental, Social, and Governance related initiatives, performance, and impacts for the reporting period from January 1 to December 31, 2022. All data included in the report has been internally reviewed and verified, and developed in alignment with the following national and international standards, and guidelines:

- Global Reporting Initiative (GRI) Standards: Core Option
- Sustainability Accounting Standards Board (SASB): Security and Commodity Exchanges
- United Nations Sustainable Development Goals (United Nations SDGs)
- Boursa Kuwait's Environmental, Social, and Governance (ESG) Reporting Guide

The report exemplifies the reporting commitment of Boursa Kuwait as the national stock exchange, the first stock exchange established in the GCC. We continue to recognize the need to play a crucial role in materializing the overarching objectives of the nation's ambitious roadmap through the promotion and advancement of corporate sustainability practices in the domestic capital market and by creating an investment climate that is conducive in attracting and encouraging sustainable investments by its wide-ranging participants. Culminating the efforts and activities undertaken thus far as well as those that the company has in the pipeline, the report presents the strides we have made towards attaining these goals.

The reported figures and information contained in the report cover Boursa Kuwait Securities Company (K.P.S.C.) only, unless otherwise stated.

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ESG and Sustainability

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Statement from the Chief Executive Officer

Building a more sustainable future



Mohammad Saud Al-Osaimi
Chief Executive Officer

Boursa Kuwait seeks to develop a strong, fair, transparent and effective financial market that fosters liquidity and efficiency, empowering the diversification of the Kuwaiti economy and enabling investors to achieve sustainable growth. We recognize that our responsibility goes beyond providing capital market services, and we are committed to making a positive impact on those we serve as well as in the economy that depends on us and in the community where we operate.

As we look towards the future, we understand that economic progress must be balanced with environmental protection and social responsibility, and we have taken significant steps in 2022 to further embed sustainability into our business and drive progress on several critical social and environmental issues. Our second standalone Sustainability Report is an embodiment of this commitment, as it outlines our strategy, partnerships, and initiatives in ESG reporting and implementation, including the application of sustainability best practices.

We continued to refine our Corporate Sustainability (CS) strategy, streamlining our efforts to educate market participants and make a positive impact on the communities where we operate as well as the environment. We have adopted a strict procurement policy that supports local companies and adheres to international standards for sustainability, quality, and profitability. Additionally, we have maintained a robust retention rate of 92% while increasing female representation in our workforce from 23% in 2021 to 31% as of December 31, 2022.

The company continued its commitment to showcasing some of the standout listed companies and the investment opportunities that reside in the Kuwaiti capital market through our series of Corporate Days and Roadshows. In 2022, Boursa Kuwait organized two Corporate Days in collaboration with EFG Hermes and HSBC, bringing together

approximately fifteen listed companies, including Boursa Kuwait, with over 130 representatives from world-renowned financial asset management firms and investment companies for a total of over 300 meetings.

As the official stock exchange of the State of Kuwait, Boursa Kuwait believes in contributing to the development and education of all market participants. To that end, we partnered with the International Capital Market Association (ICMA) to sponsor and organize training programs for financial brokers and asset management firms that showcased the latest financial instruments and products implemented worldwide. We also partnered with the United Nations Development Programme (UNDP) to organize a workshop around the standards, practices, and tools for ensuring the impactful implementation and reporting of ESG principles.

To make a lasting positive impact in the communities in which we operate, Boursa Kuwait partnered with several local and international organizations. The exchange contributed to the United Nations High Commission for Refugees' Annual Winterization Program and its initiative to protect refugees and internally displaced people in the Middle East and North Africa. We also renewed our partnership with Kuwait Red Crescent Society as a Humanitarian Partner for the second consecutive year, sponsoring the Society's "Basic Education" initiative which helps underprivileged children gain an education.

We are also committed to minimizing our impact on the environment and have implemented several green programs and initiatives. We are training our employees to operate our iconic building more sustainably and have started the process towards obtaining a LEED certification. We have also renewed our partnership for the third consecutive year with the Environmental Voluntary Foundation's Kuwait Dive Team, collaborating with the

United Nations Environment Programme (UNEP) to sponsor the National Campaign to Remove Hazardous Waste from Kuwait Bay and its Beaches and supporting the Dive Team's efforts for the preservation of Kuwait's marine environment.

Boursa Kuwait understands its role in the global movement towards sustainability. ESG reporting and implementation play a vital role in today's financial scene, and we are committed to demonstrating that role as one of the model issuers listed on the exchange in order to achieve a more sustainable future and a brighter tomorrow.

Mohammad Saud Al-Osaimi

Chief Executive Officer

Sustainability Highlights

Boursa Kuwait continued implementing its effective strategy, making an active contribution towards achieving the vision of “New Kuwait 2035” and establishing the position of Kuwait’s capital market as a leader in the region and Kuwait as a global investment destination.



Our People

Completed Employee Engagement Survey in 2020 and 2022

Overall Satisfaction Level	
2020	2022
68%	79%

Maintained a high level of staff retention

2021	2022
92%	92%

Improved level of Kuwaitization

2021	2022
88.9%	90.4%

Increased women representation in the workforce

2021	2022
23%	31%



Our Governance

Boursa Kuwait adopts the highest standards of corporate governance which are aligned with the company’s strategic vision towards developing Kuwaiti’s capital market and protecting the interests of relevant parties, particularly investors, shareholders as well as listed and licensed companies.

Independent Members of the Board of Directors

2021	2022
37.5%	25%





Our Business



Group net profit
of **KD 18 million**
for 2022, up
13.3%
from 2021



Total international
value turnover
increased to
18%
from 14% reported
last year



Institutional
investor value
turnover reported an
increase from 54% to
61%
in 2022



Certified
ISO/IEC 20000
for Information
Technology Service
Management



Assessed and
reported a total of
6,866 MT Co2e
across Greenhouse
Gas (GHG) emissions
of Scopes 1, 2 and 3



Contributed
KD 55,153
in investments
towards the
community

Industry Accolades

**WORLD
FINANCE**

**Most Sustainable Company in the Financial
Services Industry for 2022**

Boursa Kuwait was awarded Most Sustainable Company in the
Financial Services Industry of the Year by World Finance

GLOBAL BRANDS

**Best Investor Relations Company
Kuwait 2022**

Boursa Kuwait was awarded Best Investor Relations Company by
Global Brands

**PAN
FINANCE**

**Sustainable Stock Exchange of the Year
Middle East 2022**

Boursa Kuwait was awarded Sustainable Stock Exchange of the
Year in the Middle East by Pan Finance



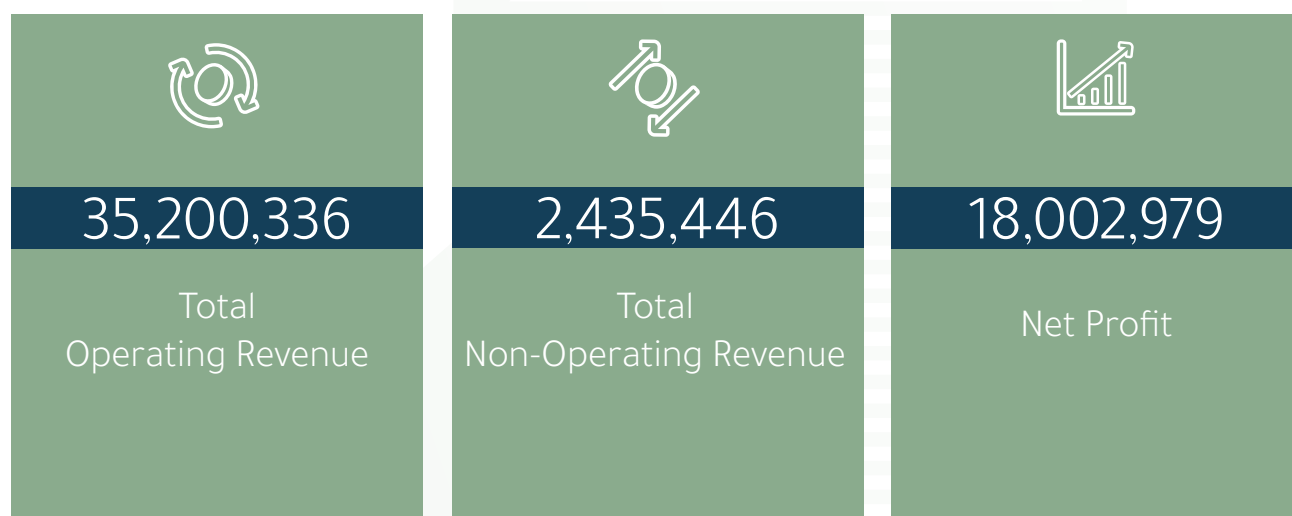
**Most Sustainable Practices in ESG
for 2022**

Boursa Kuwait was awarded Most Sustainable Practices in ESG for
2022 by Global Business Outlook

Financial and Market Highlights

Boursa Kuwait continued towards enhancing its performance to create sustainable value for its stakeholders, sustain its operations, and contribute towards the communities in which we operate.

Economic value generated (KD)



Economic value distributed (KD)

Total Operating Expenses	(12,582,979)
within which: Contribution towards community investments	(55,153)
Contribution to :	
Kuwait Foundation for Advancement of Sciences (KFAS)	(99,434)
Zakat	(163,217)
National Labor Support Tax (NLST)	(514,582)
Declared dividend	(17,065,939)

General market statistics

	2021	2022	Change
All-Share Index	7,043	7,292	3.5%
Number of Trading Days	245	244	(0.4%)
Number of Trades	3,059,005	2,891,125	(5.5%)
Value of Traded Shares (KD Million)	13,614	14,741	8.3%
Volume of Traded Shares (Million)	84,595	55,974	(33.8%)
Average Daily Traded Value (KD Million)	55.6	60.4	8.7%
Market Capitalization (KD Million)	41,396	46,722	12.9%
Number of Listed Companies	167	155	(7.2%)
Number of Brokerage Companies	10	10	0%
REIT	1	1	0%

Profile and History

Boursa Kuwait is the national stock exchange of the State of Kuwait. The company has been a key driver in the development of the Kuwaiti capital market and the diversification of the national economy, in line with the goals of the “New Kuwait 2035” vision.

Since its establishment, Boursa Kuwait has succeeded in delivering significant progress to the Kuwaiti capital market through engagement, growth and innovation, while continually supporting regulators, issuers, investors, and various other key stakeholders.

It has successfully guided the reclassification of the Kuwaiti capital market to “Emerging Market” status in the world’s top three indices, strengthening Kuwait’s position as a leading financial center in the region.

The company acts with strategic purpose and focus to develop the market in line with international standards and has earned a reputation for continuous improvement by introducing innovative investment tools, reinforcing transparency, and restructuring the market to increase competitiveness and liquidity.

Boursa Kuwait also serves as a catalyst and trailblazer for Kuwait’s privatization drive. The company was among the first Kuwaiti government entities to successfully undergo privatization and is one of the first stock exchanges in the Middle East to go public, self-listing on the “Premier” Market in 2020.



Vision

To develop a strong and efficient financial market with liquidity and transparency that can effectively put issuers and investors in touch with one another for investment opportunities and high returns on investment in creating a developed capital market that is a pioneer in the region.



Mission

To develop an effective and fair platform for trading with high transparency, one that is able to provide financial and investment services efficiently for all, with a focus on excellence in each service we provide.



Core Values

Professionalism

We adhere to widely accepted, proven international standards in our work. We deal with our customers, colleagues, and all stakeholders in an utmost professional manner.

Accountability

We take responsibility for our performance in the eyes of all, ready to be held accountable for our individual actions and to receive commensurate rewards for our hard work and achievements.

Client Impact

We are results-oriented and strive to make a difference. We create sustainable impact with our work in our industry and communities, while delivering on our sustainability commitments.

Prudence

We continuously strive to achieve sustainable profits and returns for everyone and are committed to taking prudent steps, stemming from our understanding of the risk factors that our organization and our clients are exposed to. Our diligence in managing these factors mitigates risks.

Memberships



United Nations Sustainable Stock Exchanges Initiative (SSE)



Arab Federation of Exchanges (AFE)



International Organization of Securities Commissions (OICV - IOSCO)



World Federation of Exchanges (WFE)



Financial Information Services Association of SIIA (FISD)



International Capital Market Association (ICMA)



Our history

The trading history of Kuwait is an illustrious one, going back to the beginning of the 20th century, when shares of the Arabian Boats Company Limited were traded in 1911. Since then, the Kuwaiti capital market has made considerable gains, including its reclassification to an “Emerging Market” by the world’s leading index providers.

1950s

Establishment of public shareholding companies in Kuwait:

- **1952**
IPO of National Bank of Kuwait
- **1954**
IPO of Kuwait National Cinema Co.

1970

- Law No. 32 issued to regulate stock trading for shareholding companies

1972

- Integration of securities trading section

1976

- Ministerial Resolution No. 61 issued to organize dealing in Kuwaiti joint stock company shares

1977

- First stock exchange was inaugurated and referred to as the Kuwait Stock Exchange (KSE)

1990

- Trading at the KSE was interrupted for 28 months due to the Iraqi invasion of Kuwait, which reduced the number of listed companies from 54 to 28

1962

- Law No. 27 issued to organize the stock market in Kuwait for companies established abroad

1982

- “Black Monday” saw record losses in unofficial Souk Al-Manakh, an Over the Counter (OTC) exchange crash due to failures in settlement

1983

- Amiri Decree issued for the reorganization of the exchange as an independent financial institution, establishing the first stock market in the GCC

1987

- KSE assigned Kuwait Clearing Company (KCC) to act as a clearing chamber for transactions made among traders

2008

- Global financial crisis heavily affected the KSE and the capital market collapsed

2010

- Law No. 7 of 2010 issued regarding the establishment of the Capital Markets Authority (CMA) and Regulating Securities Activities

Kuwait capital market history
1950s to 2010

Boursa Kuwait history

From establishment to 2021



Year in review

2022 in focus

In another year of steady progress, Boursa Kuwait continued to raise the bar for Kuwait's capital market in 2022.

January 6

Inauguration of new Nasser Al-Kharafi/Jassim Al-Bahar Trading Hall

The renovated trading hall is now equipped with the latest, state-of-the-art technologies, as well as an opening/closing bell podium, and a media center. Trading screens across the building have also been replaced with updated, more advanced hardware that reduces energy consumption by 50%.



April 5

Boursa Kuwait publishes standalone Sustainability Report for 2021

As the official stock exchange of the State of Kuwait, and a listed company in it, Boursa Kuwait's publication of its Sustainability Report demonstrates its commitment to engaging with various stakeholders regarding developments in the fields of ESG and Corporate Sustainability.



May 31-June 1

Boursa Kuwait organizes workshop focused on ESG implementation and SDG integration in collaboration with the UNDP

The two-day event comes as part of the Kuwaiti stock exchange's ongoing initiatives to promote Corporate Sustainability in the national capital market.



April 3

Boursa Kuwait participates in the Arab Federation of Capital Markets Annual Conference

The largest event for stock exchanges and capital markets in the Middle East, the AFCM Annual Conference is a distinguished platform that gathers leaders from across the Arab securities industry.



May 23-26

Boursa Kuwait hosts eighth Corporate Day to highlight investment prospects in Kuwait

In collaboration with EFG Hermes, the four-day event brought together 13 Kuwaiti companies with more than 175 international investors from over 95 institutions (USD 2 trillion in AUMs) to discuss and share insights on some of the most compelling opportunities across the Kuwaiti capital market.



June 7

Boursa Kuwait welcomes the listing of Ali Al-Ghanim Sons Automotive Company

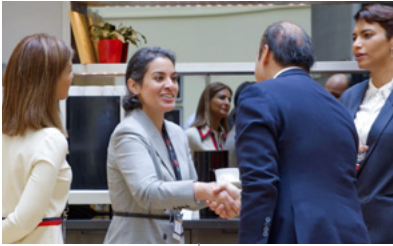
The company's public offering is considered the biggest for a family-owned business in the exchange.



June 8-9

Boursa Kuwait organizes its first physical Corporate Day to highlight investment opportunities in the Kuwaiti capital market in collaboration with HSBC

The event brought together eight companies listed in the "Premier" Market, including Boursa Kuwait, with 36 world-renowned asset management firms and investment companies which conducted 126 meetings among them.



June 14

Boursa Kuwait organizes advanced market training programs for investment companies and asset managers in collaboration with the International Capital Markets Association (ICMA)

Training program aims to nurture an informed and engaged capital market community and is part of the exchange's Corporate Sustainability initiatives.



September 19-20

16th Annual EFG Hermes One-on-One Conference in Dubai

Boursa Kuwait highlighted key achievements and milestones at the conference.



June 9

Boursa Kuwait organizes advanced market training programs for brokers in collaboration with the International Capital Markets Association (ICMA)

The program shared the latest updates on financial instruments and products around the world with financial brokerage firms and asset management companies.



June 23

Boursa Kuwait organizes seminar to highlight the motivations of GCC retail investors in collaboration with MEIRA

The seminar was focused on finding out what motivated investors across the region to invest the way they do.



September 27

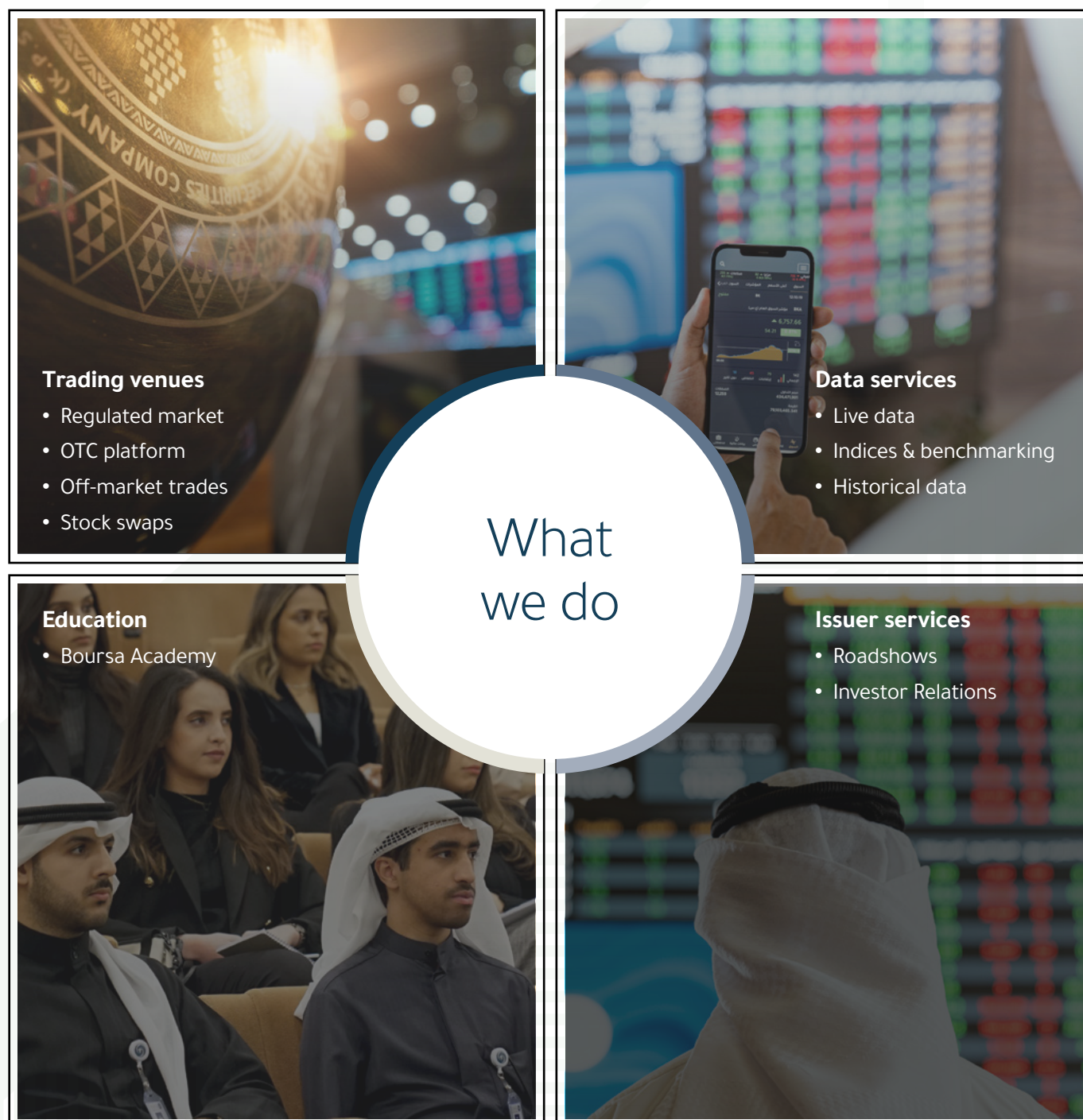
Boursa Kuwait organizes seminar to discuss the role of market makers

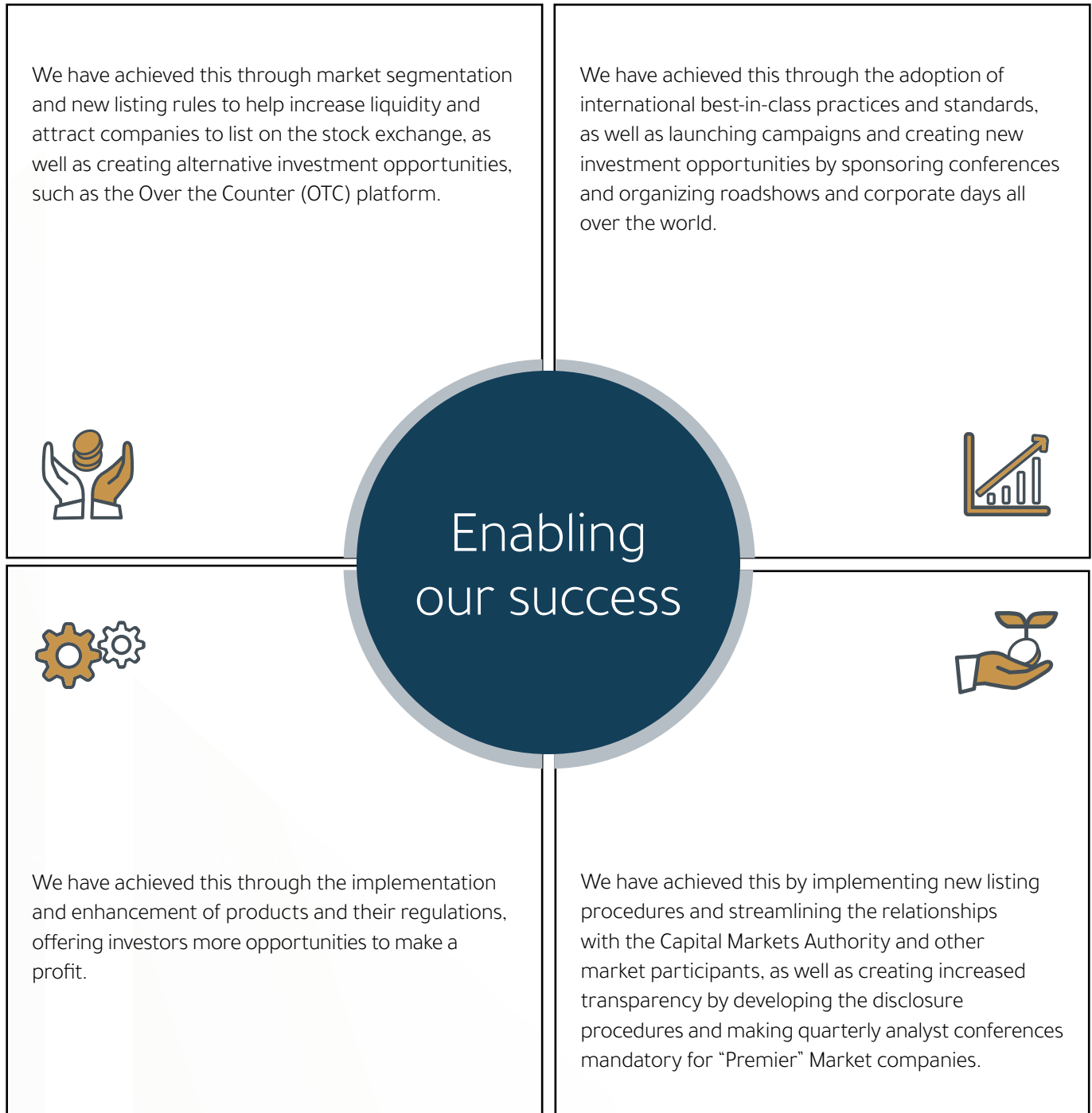
Boursa Kuwait held a seminar for listed companies in an effort to shed light on the mechanism and performance of market makers and their role in enhancing security liquidity.



Our strategy

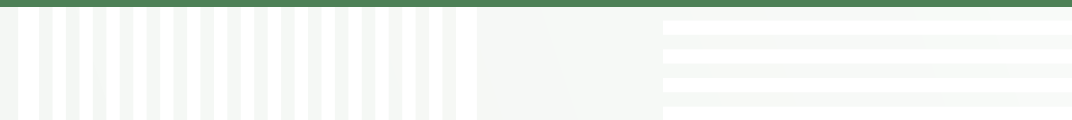
Boursa Kuwait's corporate strategy continues to evolve to align with the "New Kuwait 2035" vision and the National Development Plan, the vision of our company, and the needs of our diverse stakeholder community given the rapidly shifting technological and economic landscapes.







Our Sustainability Approach





Driving sustainable progress

Boursa Kuwait maintained our focus and proactive approach to drive strategic sustainability progress in line with the United Nations SDGs and our Corporate Sustainability pillars - Community and Environment - while leveraging our resources, reputation, and relationships to support all our valued stakeholders throughout the year.

Corporate Sustainability is engrained in our corporate culture and the foundation of Boursa Kuwait's long-term success. Our Corporate Sustainability program is designed and faithfully implemented to achieve our business objectives, support our stakeholders and contribute to the development of the Kuwaiti economy. Aligned with the United Nations SDGs, the 2030 Agenda for Sustainable Development and the "New Kuwait 2035" vision's goals to elevate Kuwait's Global Positioning, Creative Human Capital, Effective Civil Service and Sustainable Diversified Economy, our commitment to Corporate Sustainability ensures that we continue to make important contributions across our two core pillars of Community and Environment to position our business and our nation for strong and sustainable growth.

At every level of our organization - from our Board of Directors and Executive Management to each of our dedicated employees - we remain committed to fulfilling our promises by building momentum across our diverse efforts and achievements in order to fulfill our Corporate Sustainability objectives and achieve our shared vision.

Boursa Kuwait made a formal commitment to drive Corporate Sustainability in financial markets by becoming a member of the United Nations-led Sustainable Stock Exchanges Initiative (SSE), which is a platform for the exchanges of experience and knowledge that helps broaden the collaborations between exchanges and all market participants. This step helped increase transparency among companies and improving performance in ESG endeavors, as well as encouraging sustainable investments.

Corporate Sustainability Vision

"To be responsible and committed to the sustainable development of Boursa Kuwait and the communities in which we operate, by ensuring a positive contribution in the areas of Community and Environment, and to promote the adoption of socially impactful and accountable practices throughout our stakeholder community."

Corporate Sustainability Objectives

- Raise the profile of Boursa Kuwait as a socially responsible organization that works to create sustainable operations and support the surrounding community.
- Strengthen Boursa Kuwait's presence and position on local and regional fronts through strategic collaborations that support sustainability.
- Generate positive media exposure across local, regional and international media.



Our corporate sustainability strategy

To ensure that all our Corporate Sustainability initiatives and actions are designed and delivered in alignment with the exchange's business and sustainability objectives, we have a three-phased "Align, Create and Integrate" approach to Corporate Sustainability that is measured and tracked to allow for continuous improvement and measurable Return on Investment (ROI) for our company and stakeholders.

Align our Corporate Sustainability efforts and initiatives with our business strategy and purpose, ensuring coordination with corporate governance, industry best practices and investors' expectations, to support sustainable success on all levels.

Create strong and sustainable partnerships that allow us to leverage the valuable capabilities, strengths and experience of other companies and organizations, in order to help deliver long-term impact.

Integrate our Corporate Sustainability programs and activities with our corporate culture to create sustained engagement with our workforce and instill a sustainability focus across our day-to-day operations.

Our strategic pillars

The two core pillars of Boursa Kuwait's Corporate Sustainability strategy - Community and Environment - focus our initiatives and activities to have short-term impact while seeking to ensure long-term value creation for our diverse stakeholder community.



Community

Supporting and serving the communities and people across Kuwait is a responsibility that Boursa Kuwait takes very seriously. We seek to be a force for good for all our stakeholders, both external and internal, by actively giving back and driving positive impact through an ongoing and diverse range of community and social impact initiatives.

Many of these initiatives will be in the field of education and financial literacy, which play an essential role in delivering economic and social prosperity and development. As such, they have been a key focus of Boursa Kuwait's journey since establishment, and catalysts to elevate the overall status and positioning of the exchange on the local, regional and international stage.

The company aims to ensure that all our stakeholders are fully equipped with the knowledge and skills to contribute to and benefit from the nation's exchange, and is committed to enhancing financial literacy, promoting best practices and driving positive behavioral change through a diverse range of in-person and virtual training and knowledge development programs and initiatives.

Additionally, Boursa Kuwait works to deeply engage our stakeholders by championing initiatives and campaigns through the 'Boursa Kuwait Cares' program which helps foster a true sense of belonging and care. The company also supports long-term community initiatives through strategic partnerships, promoting employee volunteering and applying our resources in support of worthy causes.



Environment

Safeguarding our natural environment is a priority for Boursa Kuwait and our employees. Although we do not operate in an environmentally sensitive business, we recognize that our operations have an impact on the environment and acknowledge that addressing environmental issues is a collective responsibility shared by every member of the community.

We are committed to minimizing our environmental footprint and continually improving our environmental management practices to reduce our consumption of energy and other resources, while also promoting recycling across our operations and encouraging our employees to adopt environmentally responsible behaviors.

Stakeholder Engagement

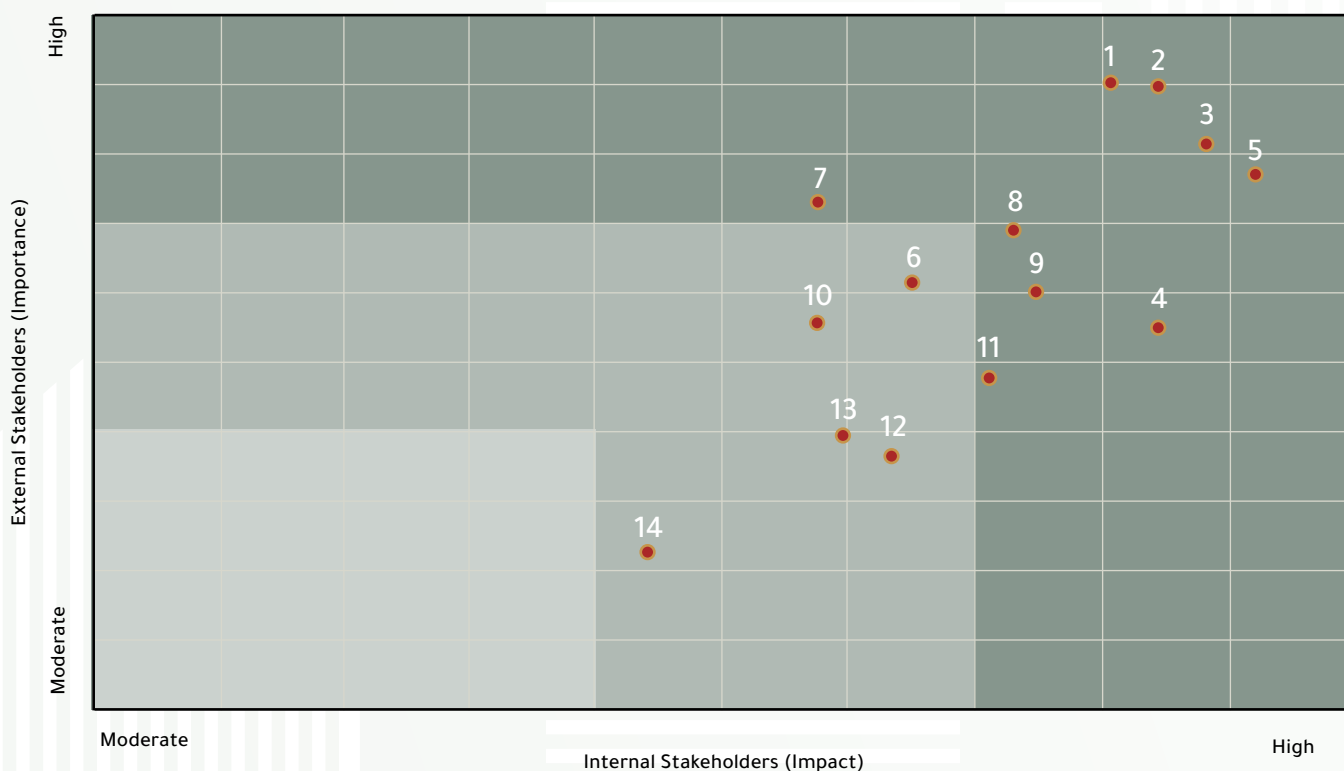
We value our diverse stakeholders. We consult and listen to each of our stakeholder group, so that we understand their evolving needs and incorporate their perspectives into our strategies and actions. This is crucial to remain relevant, responsive, and generate long-term value for our stakeholders. Boursa Kuwait works across the marketplace's different stakeholders to support the capital market's financial stability and sustainable economic growth of Kuwait's financial market.



Materiality Assessment

Boursa Kuwait maintains ongoing dialogues with our stakeholder groups. As part of our overall stakeholders' engagement approach, we have developed materiality assessment to better understand how our stakeholders prioritize the ESG topics that underpinned our ESG approach. We took inputs from our internal and external stakeholders through a survey and the materiality matrix shows the result of the assessment. Our materiality assessment is in accordance with the principles developed by the GRI Standards. This assessment provides the foundation of our ESG strategy and ensures that we address the issues of most relevance to all our stakeholders.

Materiality Matrix



#	Material Topic	Importance
1	Transparent capital markets	High
2	Corporate governance and Board of Directors composition	High
3	Ethics and compliance	High
4	Risk management	High
5	Data privacy and security	High
6	ESG products / services	Moderate
7	Talent attraction, employee engagement and satisfaction	High
8	Learning and development	High
9	Kuwaitization	High
10	Diversity and inclusion	Moderate
11	Workplace health, safety and wellbeing	High
12	Community engagement	Moderate
13	Responsible procurement practices	Moderate
14	Environmental impact management	Moderate

United Nations Sustainable Development Goals (SDGs)

The Sustainable Development Goals or Global Goals are a collection of seventeen (17) interlinked objectives designed to serve as a “shared blueprint for peace and prosperity for the people and the planet, now and into the future”. Bursa Kuwait aligns its sustainable directions with the United Nations SDGs and has considered where it makes a direct or indirect impact. To that end, we have chosen the most relevant goals for our sustainability approach and direction, outlined below:

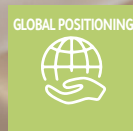
3 GOOD HEALTH AND WELL-BEING 	Ensure healthy lives and promote well-being for all at all ages	4 QUALITY EDUCATION 	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5 GENDER EQUALITY 	Achieve gender equality and empower all women and girls	8 DECENT WORK AND ECONOMIC GROWTH 	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	13 CLIMATE ACTION 	Take urgent action to combat climate change and its impacts
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	17 PARTNERSHIPS FOR THE GOALS 	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Our Environmental, Social and Governance Performance

Governance



SUSTAINABLE
DEVELOPMENT
GOALS



Our Environmental, Social and Governance Performance

Governance

Robust corporate governance forms the foundation of our sustainable economic growth, building stakeholders' confidence and strengthening the financial market. Our corporate governance is based on accountability and responsibility. The Board of Directors is responsible for steering our ESG objectives in an ethical and transparent manner to ensure long-term performance and sustainability.

Corporate Governance implementation has been consistent with the strategic vision of Boursa Kuwait, which aims at developing the Kuwaiti capital market and protecting the interests of relevant parties, particularly investors, shareholders, and listed and licensed companies.

Boursa Kuwait believes that compliance with the highest standards of corporate governance is essential to sustain business at any establishment. This belief has been deeply rooted since the company was founded to ensure fairness, objectivity, and transparency to protect the interests of shareholders and investors.

The Board of Directors

The Board of Directors (Board) is responsible for setting the strategic direction of the company and maintaining an effective governance framework that serves the interests of the stakeholders while safeguarding the company's assets, in addition to overseeing the company's day-to-day business activities. The Board is responsible for the promotion of ethics and transparency to raise the confidence of investors in the capital market, protecting stakeholders' rights, and monitoring the design and implementation of vital policies and procedures, and overseeing the performance of management through clear key performance indicators and management reporting packs while ensuring that management maintains a system of internal controls assuring effective and efficient operations, internal financial controls, and compliance with laws and regulations.

Boursa Kuwait's Board of Directors is characterized by a solid structure in line with the nature and activities of the company. The composition of the Board is diverse in expertise and qualifications as Board members possess in-depth knowledge of capital markets, including legal and legislative knowledge, corporate governance, internal control, risk management, financial and economic management as well as aspects of strategic planning.

The members of the Board were elected during the company's Annual General Assembly meeting on 24/3/2022 for a three-year term. The Board consists of eight members: six non-executive members and two independent members.

Board Members

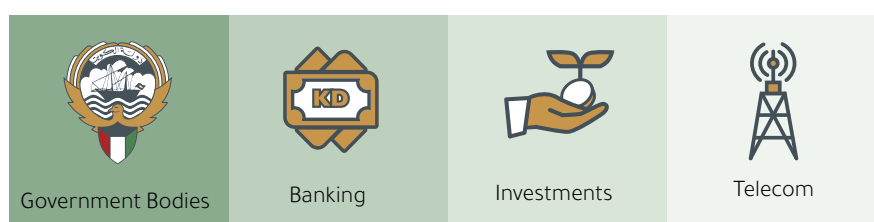
Name	Position	Non-executive/ Independent Member	Educational Qualification	Date of Election/ Appointment of Secretary
Mr. Hamad Mishari Al-Humaidhi	Chairman of the Board	Non-executive	BSc.	24/03/2022
Mr. Bader Abdullah Al-Kandari	Vice Chairman of the Board	Non-executive	MSc.	24/03/2022
Mr. Bader Nasser Al-Kharafi	Member of the Board	Non-executive	MSc.	24/03/2022
Mr. Talal Jassim Al-Bahar	Member of the Board	Non-executive	BSc.	24/03/2022
Mr. Faleh Abdullah Al-Rogobah	Member of the Board	Independent	MSc.	24/03/2022
Mr. Khaled Waleed Al-Falah	Member of the Board	Non-executive	BSc.	24/03/2022
Mr. Raed Jawad Bukhamseen	Member of the Board	Independent	BSc.	24/03/2022
Mr. Yousef Faisal Al-Mannai	Member of the Board	Non-executive	MSc.	24/03/2022
Mr. Daa Saleh Al-Khars	Secretary of the Board		BSc.	14/12/2014

Board Independence and Diversity

According to the Capital Markets Authority's Executive Bylaws, at least 20% of the members of the Board of Directors must be independent members. The company's independent members constitute 25% of the Board.



Experience Diversity



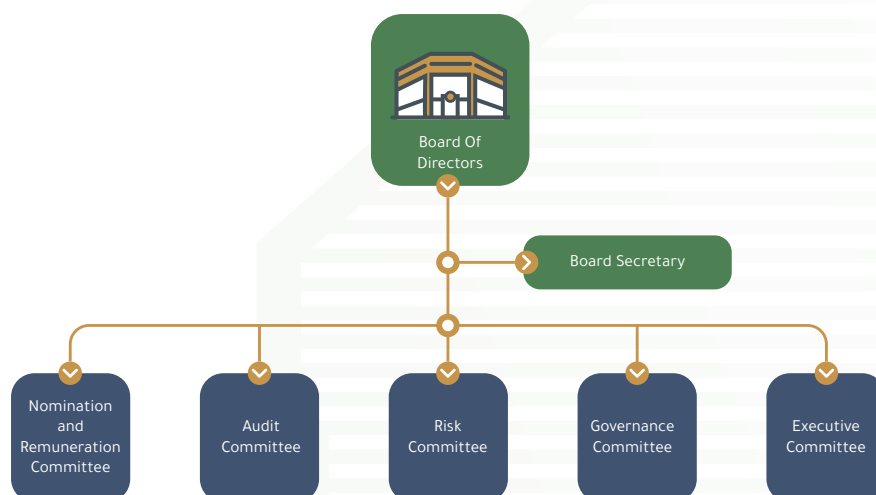
FY2022 Board of Directors Responsibilities and Achievements

Strategy & Business Planning	<ul style="list-style-type: none"> Developed the strategy and approved the business plan and the annual budget. Approved the products and services initiatives developed by the company in light of the approved plan. Approved the updated trading rulebook covering the new products released in line with the Market Development Plan. Approved the three-year budget. Supervised the Boursa Kuwait building renovation plan based on the company's approved vision and strategy. Assessed market needs and ensured that the local market standards are aligned with international best practices. Oversaw implementation of the company's plan to reduce the operational costs along with diversifying and increasing the sources of income.
Governance and Internal Controls	<ul style="list-style-type: none"> Approved the formation of the Board and its Committees following the election of the Board in the AGM. Reviewed the company's financial performance. Approved the company's interim and annual financial statements. Oversaw and monitored the Executive Management team's performance and ensured their execution of all delegated responsibilities. Oversaw the internal control systems via reviewing the supervisory functions' reports (Internal Audit Department, Risk Department, and the Regulatory Compliance & Corporate Governance Department) prior to sending them to the Capital Markets Authority. Overviewed the results in the report of inspection conducted by the regulatory authorities. Reviewed and approved the Financial and Operational Delegation of Authority Matrix. Oversaw the development of the Corporate Governance framework. Approved the company's risk appetite. Oversaw the duties of and ratified the recommendations raised by the Board of Directors' Committees. Approved the updated manuals and charters. Approved the updated organizational structure. Approved the draft agenda and the contents of the Ordinary and Extraordinary General Assembly meetings. Approved the Audit Committee's recommendation regarding the appointment of the external auditor prior to presenting it before the General Assembly for ratification.
Appraisal and Remuneration	<ul style="list-style-type: none"> Reviewed the Board of Directors' performance evaluation. Reviewed the Executive Management team's general performance report. Approved the Executive Management team and employees' remuneration. Approved the Board of Directors' remuneration recommended by the Nomination and Remuneration Committee prior to presenting it before the General Assembly for ratification. Approved the Remuneration Policy. Approved the development and training programs for Executive Management.

Governance

Board of Directors' Committees

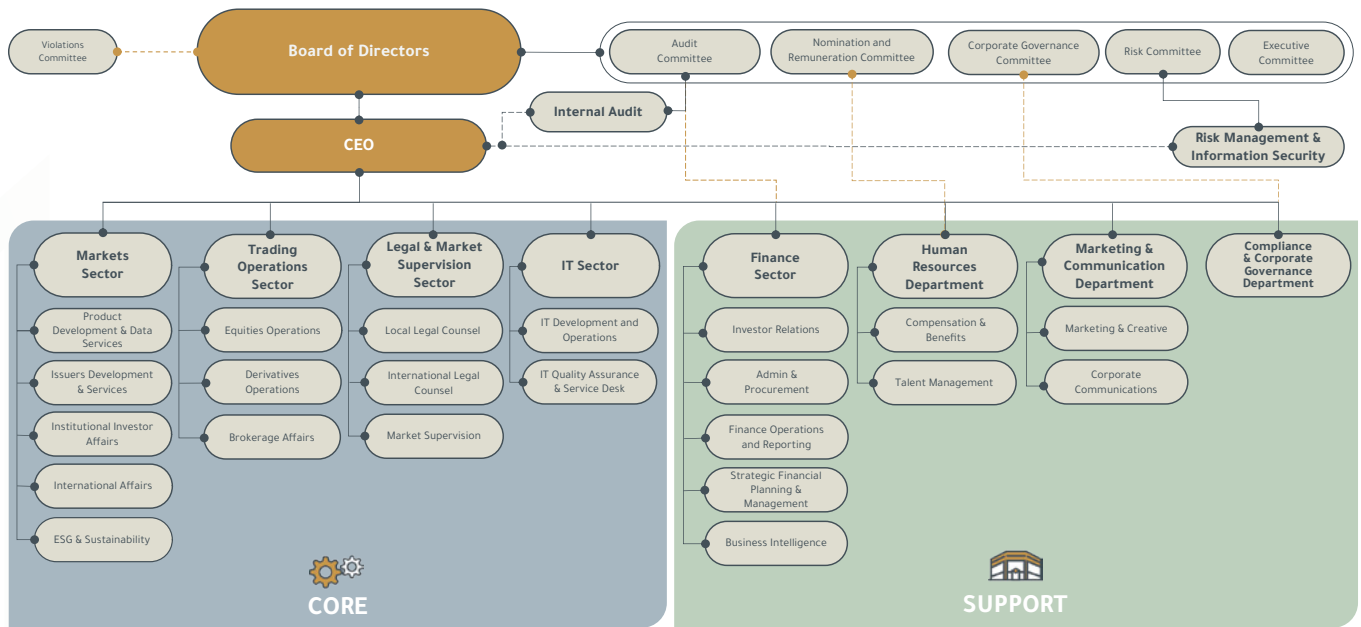
Within the framework of the Board's evolving role with respect to supervision, strategic planning, governance, risk management and controls of Boursa Kuwait, the following committees have emanated from the Board of Directors, to support the Board with the functions and responsibilities entrusted thereto.



Committees	Functions	Members
Corporate Governance Committee	<ul style="list-style-type: none"> Ensure that the company adheres to strict compliance and application of a proper governance system. Support the Board of Directors and its Committees to oversee the development of the governance system in accordance with the Capital Markets Authority's instructions and leading practices. 	Mr. Hamad Mishari Al-Humaidhi (Committee Chairman) Mr. Faleh Abdullah Al-Rogobah (Independent) Mr. Bader Abdullah Al-Kandari (Non-Executive) Mr. Yousef Faisal Al-Mannai (Non-Executive)
Executive Committee	<ul style="list-style-type: none"> Review the progress in completing the company strategy and its relevant business plan. Oversee all strategic projects of the company associated to its operational activity. 	Mr. Bader Nasser Al-Kharafi (Committee Chairman) Mr. Hamad Mishari Al-Humaidhi (Non-Executive) Mr. Talal Jassim Al-Bahar (Non-Executive)
Nominations and Remunerations Committee	<ul style="list-style-type: none"> Review the remuneration policy and recommend the nomination / renomination of the members of the Board of Directors and Executive Management. Review the job descriptions of the members of the Board of Directors. Oversee the assessment of Board Directors and Executive Management. 	Mr. Talal Jassim Al-Bahar (Committee Chairman) Mr. Bader Nasser Al-Kharafi (Non-Executive) Mr. Raed Jawad Bukhamseen (Independent)
Risk Committee	<ul style="list-style-type: none"> Support the Board of Directors in performing its duties and responsibilities concerning risk management, through assessment and follow up of the risks framework and management in line with the company's strategy. 	Mr. Khaled Waleed Al-Falah (Committee Chairman) Mr. Yousef Faisal Al Mannai (Non-Executive) Mr. Raed Jawad Bukhamseen (Independent)
Audit Committee	<ul style="list-style-type: none"> Support the Board of Directors in the control and oversight of the efficiency and independence of the internal audit processes, and the external audit of the company. Oversee the preparation of periodic financial statements and reports of reviewing the internal control system. 	Mr. Faleh Abdullah Al-Rogobah (Committee Chairman) Mr. Khaled Waleed Al-Falah (Non-Executive) Mr. Bader Abdullah Al-Kandari (Non-Executive)

Organizational Structure

Boursa Kuwait is committed to maintaining the highest governance standards and believes it to be essential for effective and responsible decision-making. Our governance structure is built for long-term resilience and sustainability to better support the Board and Executive Management in driving and achieving the company’s vision and ensuring transparency and accountability.

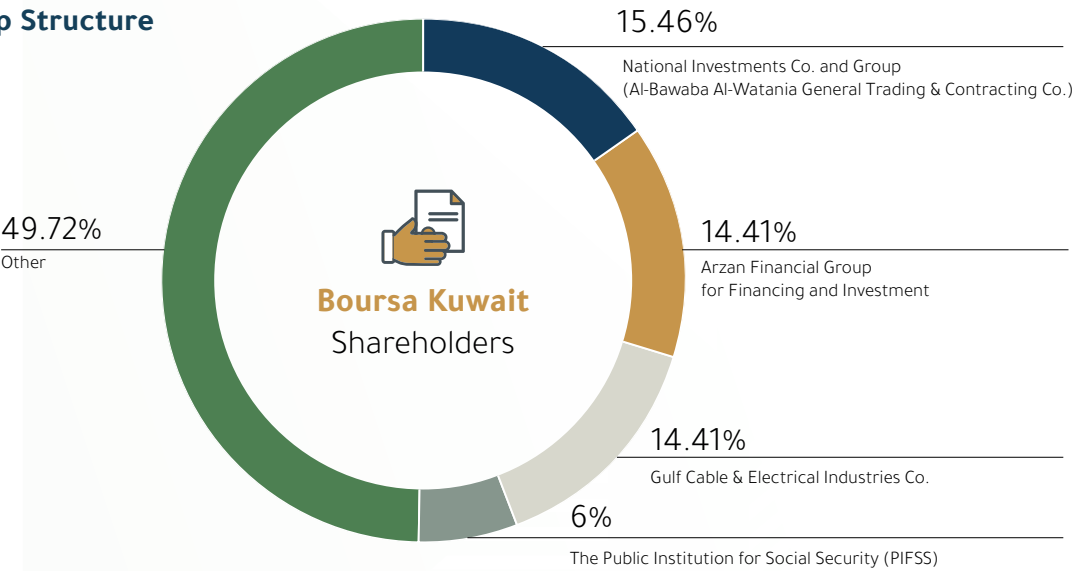


Executive Management

Boursa Kuwait’s Executive Management leads and manages the business plan to achieve the company’s strategic objectives.

Name	Position
Mohammad Saud Al-Osaimi	Chief Executive Officer
Naim Azad Din	Chief Financial Officer
Saud Jassem Bin Eid	Executive Director of Trading Operations
Ashraf Samir	Executive Director of Legal and Market Supervision
Noura Omar AlAbdulkareem	Head of Markets

Ownership Structure



Governance

Corporate Governance Principles

Disclosure and Transparency

The company is committed to applying the highest levels of transparency, as the Board of Directors approved the disclosure policies and procedures to ensure the provision of accurate and timely information to both our shareholders and stakeholders. The Compliance and Corporate Governance Department discloses such information post co-ordinating with all relevant internal business functions.

Encourage and Enhance Performance

Boursa Kuwait works on developing the skills of the members of the Board of Directors and Executive Management by developing training programs, which are tailored to both the individual and business needs whilst taking into consideration the dynamic market developments and requirements. All new Board members are provided with an introductory booklet to ensure that they have a clear understanding of the company's business and operations, and become aware of their authorities, responsibilities, and obligations. Similarly, employees are enrolled in induction programs upon their appointment and engaged in annual trainings specific to the business function at which they serve. All training programs cover training requirements mandated by the governing regulatory entities.

Corporate Social Responsibility

Boursa Kuwait is committed to its responsibility towards the community and its employees, adopting a policy that ensures the achievement of both company and community objectives. Boursa Kuwait is committed to aligning its values and business strategy with its social and economic needs, while providing the community with the support necessary to achieve business and social benefits in the long-term and to ensure the sustainability of its operations in a manner that minimizes harmful effects on society and the environment. Boursa Kuwait has developed the foundations for an effective framework for social responsibility and corporate sustainability, including responsibilities towards society, the environment and different community groups, as well as the responsibilities of stakeholder participation and staff development.

Moreover, Boursa Kuwait also strives to raise social responsibility awareness among its employees by ensuring that they are aware of the importance of these programs and their objectives, which contributes to improving the company's performance level and helps it achieve its strategic objectives.

Shareholders Rights

In ensuring the highest standards of transparency and equality in all current or potential transactions of shareholders, company policy ensures the protection of shareholders' rights in accordance with its articles of association, internal policies and regulations, and the necessary procedures and controls. This is to ensure that all shareholders exercise their rights to achieve justice and equality, in a manner that does not conflict with the applied laws and regulations and issued decisions and instructions. The

company also seeks to treat all shareholders equally, fairly, and without distinction.

Code of Conduct and Business Ethics

Boursa Kuwait adopted a code of conduct that includes best practices and professional conduct in this field in order to achieve the interests of the company and its shareholders and stakeholders, in addition to providing the opportunity for members of the Board of Directors, Executive Management and employees to achieve the objectives of the company to the fullest.

Conflicts of Interest

In order to eliminate any potential conflicts of interest cases, the company has developed a conflict of interest policy that sets guidelines for identification, notification, reporting, disclosure, prevention, or strict restraints of potential conflicts of interest cases. In addition, appropriate procedures have been set to identify and effectively deal with cases posing as a conflict of interest, in addition to ensuring that the Board of Directors handles existing and potential conflicts of interest cases in a manner that serves the company's best interests.

In efforts to manage conflict of interest cases and in line with the CMA Executive Bylaws, the company prohibits their employees, along with their dependents, from dealing in securities under Boursa Kuwait that are listed or have applied for listing. To ensure adherence, all employees upon their recruitment must disclose all listed securities under their ownership or that of their dependents and sign a form of not dealing with any securities that are listed or have applied to be listed under Boursa Kuwait, unless it is within the cases exempt as per the CMA Executive Bylaws. In addition, the company submits an annual report including the securities owned by their employees and their dependents along with details of transactions on these securities conducted throughout the past year to the CMA.

In line with CMA resolutions 41 and 42 of the year 2020, and in efforts to ensure its independence post-listing under Boursa Kuwait, the company has developed an operations manual to prevent conflict of interest cases that may arise when conducting its duties as a securities exchange and those of a listed company under that same securities exchange.

Furthermore, Boursa Kuwait has prepared the below set of policies and procedures to ensure that its assets and resources are not exploited to achieve personal interests as well as limit the exploitation of internal information and promote the principle of avoiding conflicts of interest.

Related Parties Transactions

The related party transactions policy provides guidelines on how to conduct and manage transactions with related parties, whether those transactions are between the company and its Board of Directors or Executive Management and employees. A related party register has been prepared and circulated to the relevant departments.

Any new business relationship within the company is initiated only after verification that it is not featured on that list, and in the event of any association with those parties, it is recorded in the transaction log with the related parties, reviewed by the Risk Committee and presented to the Board of Directors for discussion and approval.

Whistleblowing Policy

The whistleblowing policy provides a collaborative and transparent working environment for all employees, as the company has created an e-mail address on Boursa Kuwait’s website through which any stakeholder can convey their concerns or suspicions about any violations, malpractice or misconduct to the Board of Directors. The procedures in place ensure protection of the whistleblower, provision of the necessary investigation, and supervision of such procedures.



Governance

Protect Stakeholders Rights

In order to recognize and protect the rights of stakeholders, the company has developed a policy on the protection of stakeholders. This policy is designed to ensure respect and protection of the rights of stakeholders in accordance with the laws and instructions issued by the relevant regulatory authorities.

The aim of the stakeholders' protection policy is to ensure that the rights of stakeholders, as set out in relevant laws and regulations, are respected and protected by the company. Boursa Kuwait protects the rights of all stakeholders and provides stability and sustainability through its good financial performance. The policies identify the type of stakeholders and provide guidelines on how to protect their rights.

Shareholders

The shareholders' protection policy has been developed in accordance with the relevant law and regulations and forms part of Boursa Kuwait's corporate governance framework as well as effective communication channels with shareholders to identify their views on various matters pertaining to the company.

Regulatory Bodies

The company is committed to the laws, regulations, and instructions issued by the Capital Markets Authority (CMA), the Ministry of Commerce and Industry, and any other relevant regulatory bodies. It also ensures and maintains continuous good relationships with all regulatory authorities and cooperates fully with the CMA and relevant regulatory bodies during inspection processes. Moreover, the company provides information, data, registers, records, and tools required by the representatives of the regulatory bodies, and provides all the data, information, and statistics requested by the CMA and the relevant regulatory bodies.

Customers and Market Members

The company vows to provide the best services and products to its customers, in addition to constantly following up with clients' suggestions and complaints. This is in addition to improving communication with clients by devising modern means of communication to provide easy access to support at any time.

Employees

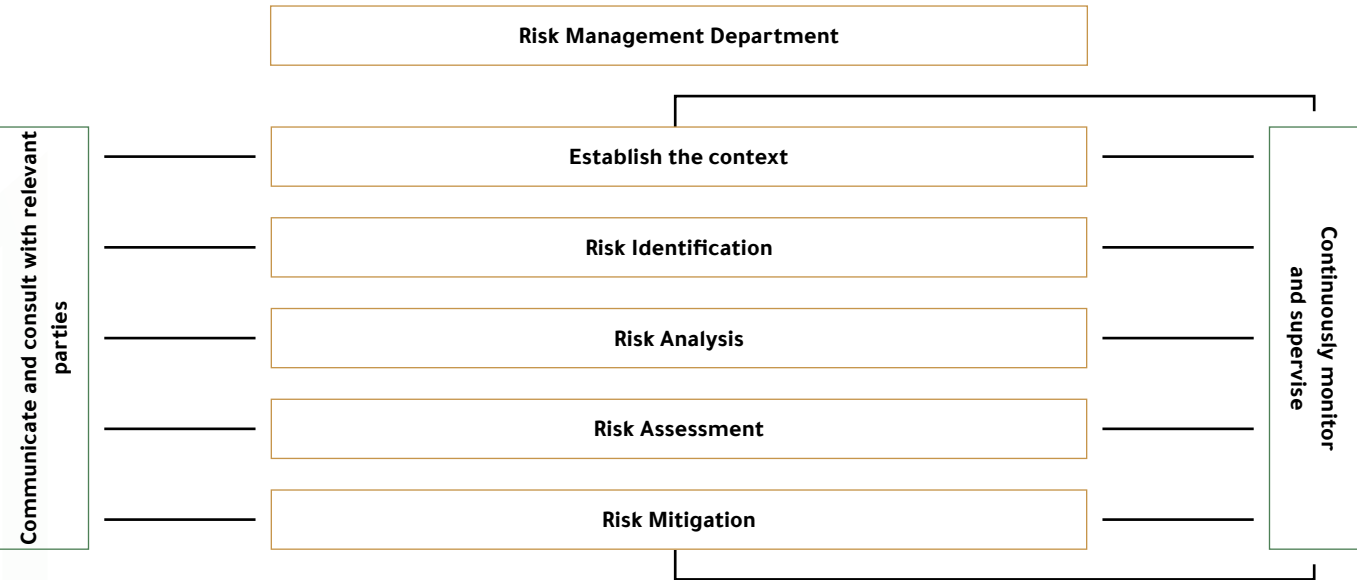
Recruitment of Kuwaiti nationals and the development of the skills of all staff are deemed key priorities, as Boursa Kuwait focuses on providing professional development opportunities and necessary training programs as well as directing recruitment efforts to sign and train the best national labor.

Boursa Kuwait seeks to provide a working environment characterized by cooperation, integrity, honesty, moral values, and compliance with laws in all dealings of its employees or through its dealings with stakeholders. The company has adopted reporting procedures that ensure the freedom to report any violations or illegal or unethical practices through direct communication channels and ensure adequate protection of the informant until completion of the investigations concerning these reports.



Risk Management

The Risk Management Department is fully independent through its direct subordination to the Risk Committee. This is evidenced by the organizational structure adopted by the Board of Directors, as well as the job description of the Risk Management Officer, which clearly demonstrates the functions entrusted thereto and ensures that no tasks of the company’s operational activities are assigned to the risk management function, to enable them to fully carry out their duties and responsibilities to the fullest extent.



The Risk Management Department adopts a comprehensive methodology for managing the various risk categories facing the company. These risks are monitored and tracked according to the following four categories:



The methodology is applied on basis of the risk policy adopted by the Board of Directors, which is implemented through a risk assessment matrix that includes quantitative and qualitative indicators, as well as periodically issuing and monitoring the Key Risk Indicators (KRIs).

Governance

Monitoring and Internal Control Systems

The Board of Directors endeavors diligently to verify the adequacy and effectiveness of the internal control systems required to protect the company’s operations, as well as to ensure compliance with these systems, in addition to establishing means of providing the necessary protection to the company against any risks, whether internal or external. Boursa Kuwait strives to maintain internal control systems covering all activities of the company, and has established independent control departments, including Internal Audit, and Risk Management which report to the Board of Directors through the Audit and Risk Committees respectively, in addition to the Compliance and Corporate Governance Department that reports to the Chief Executive Officer (CEO) in compliance-related matters and to the Corporate Governance Committee in corporate governance-related matters.

The following figure shows the components of Boursa Kuwait’s internal control systems:

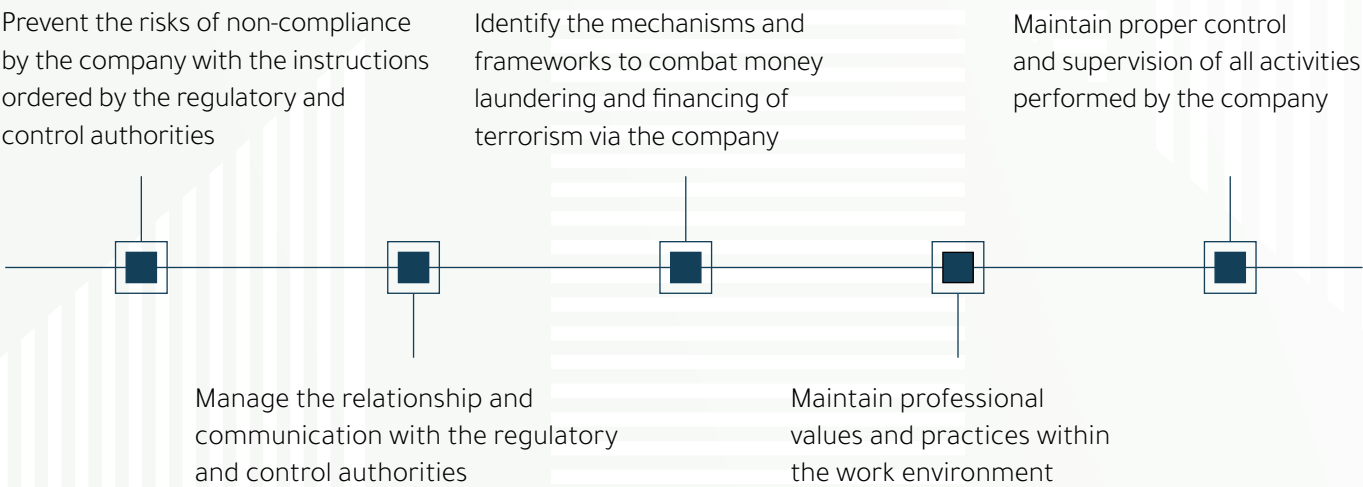


Internal Audit

The purpose of Boursa Kuwait’s Internal Audit Department is to provide independent, objective assurance, and consulting services designed to add value and improve Boursa Kuwait’s operations. The mission of Internal Audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. The Internal Audit Department helps Boursa Kuwait accomplish its objectives by bringing a systematic, disciplined approach to evaluate, and improve the effectiveness of governance, risk management, and control processes. The scope of internal audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Audit Committee, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes at Boursa Kuwait.

Compliance

The role of the Compliance and Corporate Governance Department of Boursa Kuwait is comprised of the following main tasks:



Information Security and Data Privacy

Boursa Kuwait adopts a strict system for information security and confidentiality, which follows the highest standards of monitoring and internal control. Moreover, it periodically conducts penetration testing to identify any control gaps and works to solve them effectively. During the year, Boursa Kuwait was keen to provide various awareness training and development programs for its employees to implement the highest levels of safety standards related to information security. The Board of Directors, Executive Management and employees are committed to maintaining the confidentiality of the information and data related to Boursa Kuwait. Policies and procedures have been established to ensure non-disclosure of internal information that could harm the interest of investors. The policy contained safeguards to prevent access by the Board members to the information of Boursa Kuwait's clients and members.





Our Environmental, Social and Governance Performance

Social



Overview

Our Sustainability Approach

Our Environmental, Social and Governance Performance

ESG Disclosures and Appendix

SUSTAINABLE
DEVELOPMENT
GOALS



Our Environmental, Social and Governance Performance

Social

Our company is built on our social assets, from community members to employees, and in recognition and appreciation of their critical role in driving our success, we have incorporated the social aspect of ESG into our sustainability strategic goals by leading community initiatives and ensuring that our human capital is engaged, motivated, satisfied, and productive.

We understand that investing in our employees will be the foundation of our company's success. As a result, we have pledged to continuously care for our employees by addressing their most pressing concerns, attracting and cultivating talent, bolstering diversity and inclusion, and creating a safe workplace where employees feel at ease, content, and willing to devote their best efforts.

Our People

The strategic progress and strong performance delivered during 2022 was powered by the dedication and teamwork of our diverse and talented workforce. We continued to prioritize employee well-being and engagement throughout the year, increasing inclusivity while reinforcing our position as a great place to work and the employer of choice in Kuwait.

Retaining and Attracting Talent

Boursa Kuwait offers rewarding employment opportunities to young professionals who are interested in advancing their careers and takes advantage of every opportunity to attract diverse talent and create a path for employees to acquire the necessary skills to rise within the organization. Boursa Kuwait provides an attractive workplace with a friendly culture, employee recognition programs, constant training and development opportunities, and flexible attendance through the Trust-Based Attendance System.

In early 2022, we piloted a new program to retain and develop junior employees by supporting them to ensure they are well prepared for their core duties with the requisite knowledge, skills, and abilities to perform their tasks, duties, and projects independently. This program was the first pillar of our comprehensive revision of compensation and benefits plans, which will accelerate in 2023.

Boursa Kuwait maintained its high level of staff retention in 2022

Employee retention rate	92%
Turnover rate	7.7%
Number of new hires	4
Annual Leave days utilized	1,710
Paid Sick Leave days	146



Employee Engagement and Satisfaction

Boursa Kuwait conducts an Employee Engagement Survey (EES) biennially. The purpose of this survey is to measure employee satisfaction and gather feedback, which is used to make more informed decisions regarding how to attract, develop, and retain top-performing talent and to prioritize engagement and constantly working to improve it. The results are utilized by our organization's leaders to facilitate team discussions and drive action to enhance the workplace culture. In 2022, 88% of Boursa Kuwait employees participated in the EES, which resulted in a 79% overall satisfaction rate.

In 2022, there were 0 employee complaints across Boursa Kuwait.

Employee Recognition Program

As part of Boursa Kuwait's efforts to strengthen employee morale and foster a healthy and competitive work environment, Boursa Kuwait has established a quarterly employee recognition program that recognizes standout performers from the company's various sectors and departments. The employees were presented special tokens during exclusive sessions with the CEO at the Four Seasons Hotel to recognize their contributions.



Performance Appraisal

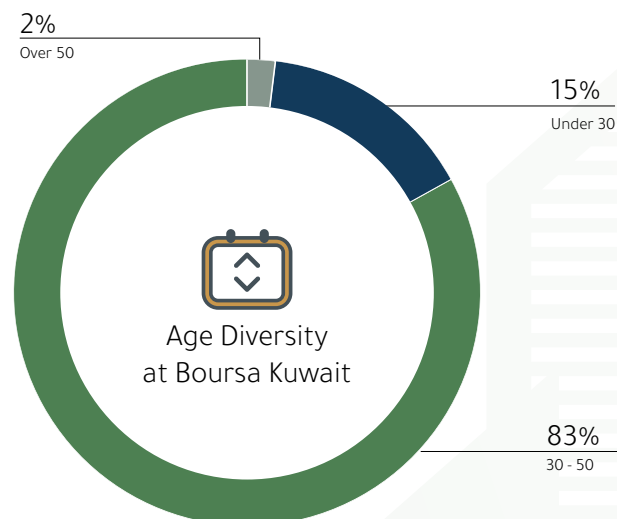
We conduct a mid-year review and a year-end annual Performance Appraisal. Employees are assessed and evaluated against a set of agreed Key Performance Indicators (KPIs). Based on their achievements, a rating is assigned to them. This forms the basis of awarding variable compensation, if applicable.



Social

Diversity and Inclusion

We believe that diversity and inclusion serve as catalysts for innovation and economic stability, fostering healthier workplaces and communities. We strive to establish a workforce that is representative of the communities in which we operate. We are fostering a work environment that is safe and inclusive, based on cooperation, trust, and equality. A diverse and inclusive workforce can aid in innovation, employee engagement, job satisfaction, productivity, and value creation.



Total number of employees

52

Senior Management

Middle Management

Junior

	Male	Female
Senior Management	7	1
Middle Management	21	6
Junior	8	9

Women represent 31% of our total workforce and hold 20% of senior and middle management positions.

In line with our commitment to creating an inclusive and equitable work culture and environment, we continued to prioritize hiring female employees across our various recruitment activities throughout the year. This focus and effort led to 100% of our new hires during 2022 were females, resulting in a significant rise in female representation in our workforce from 23% in 2021 to 31% as of year-end 2022.



Women Empowerment

Boursa Kuwait is committed to maintaining its discrimination-free environment and supporting equal opportunities for women. We act to empower women through our ongoing support of the Women's Empowerment Principles (WEPs) and follow a strict anti-harassment and/or non-discrimination policy, with all employees enjoying equal work freedom and career-development opportunities.

In 2022, and for the fifth consecutive year, the closing bell at Boursa Kuwait rang in support of women's empowerment on International Women's Day. The bell-ringing ceremony aimed to raise awareness of the empowerment of women financially, specifically in the private sector, as well as highlighting the key role the sector plays in support of the WEPs to achieve the United Nations SDGs. The events also aimed to raise awareness of these principles to improve sustainable practices and operations and encourage their adoption, as well as increase the transparency of women's empowerment principles. This year's theme was "Women's empowerment today for a sustainable tomorrow", which recognizes and celebrates the contribution of women and girls around the world, who are leading the charge to build a more sustainable future for all.



Kuwaitization

As part of Kuwait's efforts to increase awareness and encourage further localization in the financial services sector, Boursa Kuwait continues to implement an active and dynamic Kuwaitization strategy. Boursa Kuwait seeks to unlock the potential of Kuwaitis to enable them to become a driving force for our company's growth. We are dedicated to cultivating Kuwaiti talents by providing rewarding career opportunities. Boursa Kuwait remains committed to local employment with Kuwaitization rate of 90.40%, which exceeds the required rate of Kuwaitization by the regulatory and supervisory authorities in Kuwait of 75%.

**Kuwaitization rate at
Boursa Kuwait**

90.4%

**Kuwaitization of senior
management**

62.5%

Learning and Development

People development remains a key part of Boursa Kuwait's employee value proposition. Our objective is to deliver high-impact performance improvement and ensure that a skill pipeline is identified, developed, and deployed to support our strategic objectives. We provide formal learning with both technical and behavioral solutions provided by internal subject matter experts and globally renowned development partners. In addition, we support on-the-job or experiential learning with secondments. In addition, we encourage our employees to obtain internationally recognized and industry-specific professional qualifications in order to advance their careers and develop their leadership abilities.

Total training hours	1,227
Average training hours	29
Number of employees	42
Number of males	28
Number of females	14
Number of training topics	36
Certifications	6

Amount invested in training: KD 34,620

For a full list of training courses, please refer to Appendix A.

To support the identification and development of our organization's future leaders, three middle management employees were enrolled and attended the Harvard Executive Education program in Boston, USA. The program, entitled "Navigating Change: Decision Making, Negotiation and Leadership Strategies" covered a wide range of leadership and management topics that promoted their personal and professional growth while creating value for the company as well.

Occupational Health and Safety

Boursa Kuwait provides health insurance for all employees. In continuation to the approach, which started in 2021, we obtain the necessary information related to employee health in a confidential manner so that we can help paramedics in providing quick help in case of medical emergencies.

Boursa Kuwait has strict clauses in our contract in relation to health and safety and usage of facilities.

Fire Safety and Evacuation Plan

Boursa Kuwait has a Fire Safety and Evacuation Plan (FSEP), which is in compliance with the requirements of the General Department of Civil Defense of the State of Kuwait. More specifically, this plan is to document how to notify occupants of a building emergency, establish evacuation procedures and routes, provide support for persons with disabilities, and account for occupants. It is also designed to identify critical equipment that may need to be shut down and provide information to emergency services about the nature of the emergency so that a safe and effective response can be initiated.

Social

Community Impact



Taking action in our community

Boursa Kuwait supports healthy, vibrant and diverse communities through a culture of care that is activated through employee volunteerism and a range of corporate social responsibility programs. During 2022, our community initiatives were aimed at supporting the health and well-being of our employees and at-risk groups within Kuwait and beyond our borders. In addition, the exchange continued to promote knowledge, awareness, and transparency through a proactive approach to education adopted with respect to all key stakeholders. Throughout the year, we continued to fund, develop, and support a range of high-impact, education-focused initiatives, through close collaboration with local, regional, and international strategic partners and our proprietary learning platform, Boursa Academy Online.

Fostering a sustainable environment

Boursa Kuwait developed an ESG Reporting Guide in 2021, which aimed to encourage listed companies to include sustainability metrics in their activities, decision-making, and reporting to better keep pace with the interests of local and international investors, including indicators to help market participants understand their current situation and how to improve and set future goals, in line with the United Nations SDGs, GRI Standards, and the pillars of the “New Kuwait 2035” vision and the National Development Plan for the State of Kuwait.

Boursa Kuwait was also a key cog in drafting the optional unified set of ESG disclosure metrics published by the GCC Exchanges Committee, which comprised of 29 standards aligned with the United Nations SDGs, including categories for GHG emissions, energy and water usage, gender pay, employee turnover, data privacy, ethics, and more.

Educating market participants



In an effort to further its commitment to contributing to the development and education of brokers and asset management firms, Boursa Kuwait organized training programs in collaboration with the International Capital Market Association (ICMA), which highlighted the latest updates of financial instruments and products implemented across the world. Twenty-eight

participants from nine brokerage firms and twenty-one participants from ten investment companies learned about equity markets, bond markets as well as analysis of economics and economic indicators. Additionally, several concepts associated with portfolio management, such as fixed income, equities, inflation, and portfolio construction were also covered.



Boursa Kuwait has been a member of ICMA since 2017. The not-for-profit association has been working together with its members over the course of 50 years to promote the development of the international capital and securities markets, pioneering the rules, principles and recommendations which have laid the foundations for their successful operation. With around 600 members active in all segments of international debt capital markets in 64 jurisdictions globally, ICMA's mission is to support resilient, well-functioning international and globally coherent cross-border debt securities markets.

ESG reporting workshop for Boursa Kuwait issuers

In line with our commitment to the support and promotion of responsible, sustainable, and impactful business practices, Boursa Kuwait partnered with the United Nations Development Programme (UNDP) to organize a workshop around the standards, practices, and tools for ensuring the impactful implementation and reporting of ESG principles as well as the importance of integrating them with the United Nations SDGs and into business operations, entitled "ESG-SDG Impact Sensitization" and attended by over 40 senior management and decision-makers from various Kuwaiti listed companies.

Boursa Kuwait organizes seminar to discuss the role of market makers



Boursa Kuwait organized a seminar for listed companies to shed light on the mechanism and performance of market makers and their role in enhancing security liquidity. The seminar focused on the importance of liquidity and the overall mechanisms to enhance it as well as the requirements of market makers and key factors to consider when dealing with them. The participants also discussed the willingness of companies that qualify for upgrade into the "Premier" Market to deal with market makers and the types of agreements between the listed companies and their market makers.



Social

Engaging the investor community

Boursa Kuwait's series of Roadshows and Corporate Days showcases some of the standout listed companies and the investment opportunities that reside in the Kuwaiti capital market. Putting these companies in touch with some of the world's leading investment firms and financial institutions, the events aim to highlight these companies' financial health and business strategies and outlooks, which help investors gain an in-depth understanding of the benefits and opportunities of investing in Kuwaiti companies.



Boursa Kuwait also participated in the Arab Federation of Capital Markets (AFCM) annual conference, "AFCM Annual Conference: Bahrain 2022", which is regarded as the largest event for stock exchanges and capital markets in the Middle East, and a distinguished platform that gathers leaders from across the Arab securities industry to exchange ideas and visions on the most suitable means to provide key opportunities and the ideal environment to promote the growth of the Arabian capital market ecosystem, in addition to enhancing integration and liquidity among exchanges across the region.

The event's agenda shed light on various topics related to capital markets, including sustainability, ESG metrics, listed index funds, real estate codes, green financing, regulatory technology, bilateral netting, as well as the development and distribution of market data. The heads of the GCC's stock exchanges discussed possible ways to ease procedures for dual-listed companies, as well as launching joint platforms to benefit all asset classes. Conference attendees also discussed the means of exchanging knowledge and expertise and enhancing collaboration, as well as the opportunities to market listed companies across the region to investors, particularly foreign investors, to benefit the respective economies of GCC member states.

The initiatives form part of Boursa Kuwait's efforts to create a lasting meaningful impact on the communities where it operates as part of its Corporate Sustainability strategy. It makes ongoing efforts to equip all market participants with an in-depth understanding of the functioning of capital markets and various tools and techniques required to make informed investment decisions and effectively meet investors' needs. They are also in line with Goal 4 - Quality Education - and Goal 17 - Partnership for the Goals - of the United Nations SDG as well as the "New Kuwait 2035" vision and the National Development Plan for the State of Kuwait.

Continuing collaboration with MEIRA

In line with our mandate to promote Investor Relations (IR), best practices, and international standards in corporate governance in our markets, Boursa Kuwait continued to create value through our ongoing partnership with the Middle East Investor Relations Association (MEIRA) - an independent organization that seeks to enhance the reputation, efficiency and attractiveness of the Middle East capital markets.

In June 2022, Boursa Kuwait collaborated with MEIRA and its Kuwait chapter to organize an IR seminar entitled "What Motivates GCC Retail Investors to Invest in Listed Companies", which came as part of their ongoing efforts to develop the ever-expanding



investor-relations field, aiming to increase transparency (considered the backbone of the IR industry) in communications with current and prospective investors, locally and around the world.

The seminar reviewed the motivations of GCC retail investors and their investment behavior including what influences their investment decisions, which sources they trust and the type of content they find most engaging. Also discussed were the findings of a Brunswick survey of 1,034 retail investors across Kuwait, the UAE, Saudi Arabia, Bahrain, Qatar, and Oman.



Raising financial literacy

Boursa Kuwait joined over 100 exchanges and 11 international institutions hosting ceremonies, workshops, and events to drive awareness of the importance and necessity of financial literacy and its impact on life, ringing the bell for financial literacy during World Investor Week 2022, in collaboration with the CFA Society Kuwait and INJAZ Kuwait.

World Investor Week (WIW) is a week-long, global campaign promoted by the International Organization of Securities Commissions (IOSCO), in collaboration with the World Federation of Exchanges (WFE), to raise awareness about the importance of investor education and protection, and to highlight the various initiatives of securities regulators in these two critical areas. The 2022 edition, which took place from October 3-9, marked the sixth year of this campaign, and centered around the themes of investor resilience and sustainable finance.

During WIW, Boursa Kuwait recorded a podcast about financial literacy and hosted a seminar about the future of risk and the challenges this sector might face in the coming years, in collaboration with the CFA Society Kuwait.



Social

Social Partnerships

Boursa Kuwait and the KCC organize 'Blood Drive' in collaboration with the Central Blood Bank - Kuwait



Boursa Kuwait and the Kuwait Clearing Company (KCC) organized a blood donation drive in collaboration with the Central Blood Bank - Kuwait (KCBB). The initiative helped commemorate World Blood Donor Day and raise awareness to the importance of voluntary donations, as well as highlight the important role each of us can play in saving lives.

A World Health Organization initiative, World Blood Donor Day takes place on June 14 each year, and was created to raise global awareness of the need for safe blood and blood products for

transfusion, highlight the critical contribution voluntary, unpaid blood donors make to national health systems, as well as support national blood transfusion services, blood donor organizations, and other non-governmental organizations in strengthening and expanding their voluntary blood donor programs by reinforcing national and local campaigns. The day also provides an opportunity to call to action governments and national health authorities to provide adequate resources to increase the collection of blood from voluntary, unpaid blood donors, and to manage access to blood and the transfusion of those who require it.

Boursa Kuwait lights up in blue in recognition of World Refugee Day 2022

In line with its efforts to support and shed light on life-changing humanitarian causes, Boursa Kuwait lit up its office premises in blue in commemoration of World Refugee Day 2022, an initiative initiated by the United Nations High Commission for Refugees (UNHCR).

World Refugee Day is an international day designated by the United Nations to honor refugees around the globe, celebrating the strength and courage of people who have been forced to flee their home country to escape conflict or persecution. Falling on June 20 of every year, it is an occasion to build empathy and understanding for the plight of refugees and recognize their resilience in rebuilding their lives.



On the occasion, the company also announced that it would continue to support initiatives launched by the UNHCR. Boursa Kuwait became the first private company in Kuwait to contribute to UNHCR's annual Winterization Assistance Program, which successfully benefited refugees and the internally displaced (IDP) in the Levant region during 2021. For 2022, Boursa Kuwait sponsored the UNHCR's initiative to protect refugee and IDP children in the Middle East and North Africa as well as sponsoring the annual Winterization Assistance Program for the second consecutive year.

Boursa Kuwait has been a staunch supporter of the UNHCR, which relies on the voluntary contributions of government donors, which make up 90 percent of the agency's overall income. The company has contributed unearmarked funding to the UNHCR for the second consecutive year, giving the UNHCR the choice of where to allocate the funding and strengthening results-based management and supporting the agency's core mandate and mission and gives it the ability to have a consistent approach to governments on international protection.

Boursa Kuwait partnership with Kuwait Red Crescent Society



Continuing its obligations towards corporate social responsibility, Boursa Kuwait continued its partnership with the Kuwait Red Crescent Society (KRCS) as a Humanitarian Partner and sponsored KRCS's "Basic Education" initiative, which aims to help underprivileged children gain an education and reduce the burden on their families by paying tuition fees and expenses. Since its inception in 2015, the initiative has supported over 18,000 students as of 2021, including paying all education expenses for orphans.

The KRCS is a voluntary organization that offers aid and assistance to the most vulnerable cases, whether because of a social situation, the outbreak of war, or a natural disaster. KRCS is self-independent and operates as the humanitarian support arm of the official authorities in the country.

Promoting health & wellness

Boursa Kuwait has extended its support to the Kuwait Association for the Care of Children in Hospital & Bayt Abdullah Children's Hospice (KACCH & BACCH) for the third consecutive year, supporting the Association with the renovation of KACCH & BACCH Playroom in Al Adan Hospital.

KACCH & BACCH currently operates child life programs in eight hospitals: Al Amiri, Al Farwaniya, Al Jahra, Jaber Al Ahmed, Al Adan, Ibn Sina, Al Razi, and NBK Specialized Children's Hospital, providing specialized child life and therapeutic play programs for children and their families in hospital wards, playrooms, bedside, and other hospital departments where children are treated. They work closely with doctors, nurses, and other healthcare professionals to support children undergoing difficult procedures anywhere in the hospital.



Social

Investment in the Community

Boursa Kuwait invests in our community through a range of areas, which include events and initiatives as well as sponsorships.



KD 55,153

Community
investments



KD 99,434

Contribution to Kuwait
Foundation for
Advancement of Sciences
(KFAQS)



KD 163,217

Zakat



KD 514,582

National Labour Support
Tax (NLST)

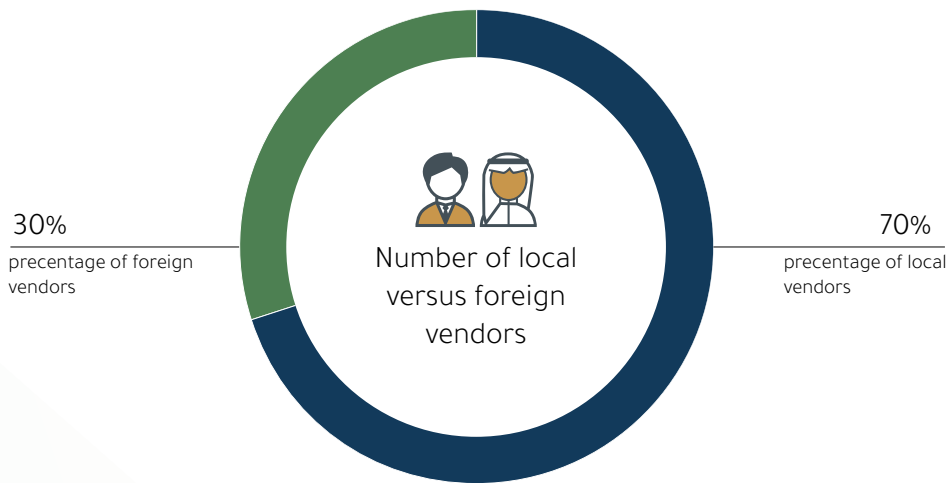


Responsible Procurement

We acknowledge that we have both the ability and the duty to ensure sustainable practices and the mitigation of negative ESG impacts throughout our supply chain. As a result, we engage and collaborate with our vendors and suppliers in order to manage operational, financial, regulatory, and reputational risks, with the goal of maximizing our positive impact through responsible procurement practices. We adopt and implement ethical standards in our procurement transactions. Boursa Kuwait has a centralized procurement department that manages the procurement activities for the entire company while recognizing the distinctive services required by each business function. The objective of our procurement practices is to support and cultivate local suppliers while adhering to established standards on sustainability, quality, and profitability.

Boursa Kuwait is contributing to sustainable economic development by signing with local suppliers and vendors. In 2022, 70% of our vendors were local compared to 30% foreign.

Total procurement spending	KD 3,892,213
Procurement spending on local vendors	KD 3,231,578
Percentage of spending on local vendors	83%



Contractor Code of Conduct

Boursa Kuwait is committed to conducting its business in an ethical, legally, and socially responsible manner; engaging with its contractors to share this commitment. To that end, the company established the Contractor Code of Conduct, encouraging all vendors, suppliers, contractors, and sub-contractors that have entered into a contractual agreement to provide goods or services to Boursa Kuwait to comply with it. This code is intended to reduce contractors' risk concerning ESG metrics. It adheres to international standards and practices in this field. This document will be reviewed and updated on an annual basis.

We encourage our suppliers to maintain policies, procedures, and practices to address these topics. We also encourage our suppliers to implement efficient management systems, utilizing internationally recognized standards on the following matters:

- Environmental protection
- Data privacy
- Employee rights and interests
- Business ethics and human rights



Our Environmental, Social and Governance Performance

Environment



SUSTAINABLE
DEVELOPMENT
GOALS

13 CLIMATE
ACTION



17 PARTNERSHIPS
FOR THE GOALS



SUSTAINABLE LIVING
ENVIRONMENT



Our Environmental, Social and Governance Performance

Environment

While our environmental footprint as a stock exchange is limited compared with other industries, we remain mindful of our impact on the environment through our consumption of natural resources and our contribution to climate change. We continue demonstrating our support for environmental protection and minimizing our environmental footprint.

Minimizing our environmental footprint

Boursa Kuwait catalyzes positive environmental change through the commitment of our people and strategic partnerships, taking action to limit the impact of our operations on the environment and raise awareness in our communities. During 2022, we maintained focus on minimizing our carbon footprint and preserving our natural environment through a range of green programs and initiatives.

Energy and Water Consumption

During 2022, the estimated energy consumption was 28.623 kilowatts higher than 2021, increasing to approximately 8.9 million kilowatts. However, based on the actual consumption of approximately 8.86 million kilowatts, the consumption was lower than the reading recorded in 2021 by 13,884 kilowatts or 0.16%.

FY2020	8,679,070 kWh
FY2021	8,874,246 kWh
FY2022	8,902,869 kWh

Our water consumption increased by 788,170 gallons during 2022 to approximately 8.14 million gallons. The lower consumption recorded in 2021 can be attributed to the closure of the trading hall for renovations and reduced public traffic in the building due to COVID-19.

FY2020	8,373,300
FY2021	7,351,400
FY2022	8,139,570



1. For weather normalization scenarios, the base temperature applied for Kuwait is 19° which is applied on the cooling degrees days calculation.

Carbon footprint and GHG Emissions:

Scope 1 emissions:

Direct (Scope 1) GHG emissions are calculated based on diesel consumed by three back-up generators on site. In 2022, the amount consumed stood at approximately 1,000 litres.

Generator	Annual Diesel Consumption (in Liters)
B2 core 2- 1080 KV	500
B2 core 2- 520 KV	250
B2 core 2- 520 KV	250
Total in 2022	1,000

GHG	Emission Factor (kg CO2/liter)	GHG Emitted (kg CO2)
CO2	2.67649	2676.5
CH4	0.00036	0.3612
NOx	0.00002	0.021672

Scope 2 emissions:

This category includes emissions that resulted from the generation of purchased or acquired electricity for the building. The actual amount of the electricity consumed during 2022 was 8,860,362 kilowatts and the total Scope 2 CO2 emissions in 2022 was 6,822 MT CO2e.

Type	Electricity Consumption in 2022 (kWh)	CO2 Emissions (MT CO2e)	SOx Emissions (MT SOx)	NOx Emissions (MT NOx)
Amount	8,860,362	6,822	0.062	205.3

Scope 3 emissions:

Business Travel

This category includes emissions from transportation for business-related activities in vehicles owned or operated by third parties, such as aircrafts.

The total number of business trips for 2022 is 22 trips to various destinations .

2022	Number of trips	CO2 Emissions (MT CO2e)	NOx Emissions (MT NOx)	SOx Emissions (MT SOx)
	22	41.6	0.0004	1.252

Destinations:	Number of Business Trips:
USA	2
Europe	5
MENA	1
GCC	14

Environment

LEED Building

In 2022, Boursa Kuwait took the first step in certifying its building to become one of the few LEED-certified green buildings in the State of Kuwait, signing an agreement with ENGIE Solutions. The agreement entails not only readying the building to be LEED-certified, but also involves educating and training Boursa Kuwait employees to operate the building in a more sustainable manner.

Leadership in Energy and Environmental Design (LEED) is a green building certification program used worldwide. The building that houses Boursa Kuwait was inaugurated in 1984 and is a representation of the history of the Kuwaiti stock market.

It has since been refurbished and modernized with state-of-the-art facilities and is a symbol of Kuwait's commitment to economic development and financial stability as well as a reminder that Kuwait is an important player in global financial markets. With a goal to improve the building to be more energy-efficient, use fewer resources, and have a reduced environmental impact, we have upgraded our automation system to optimize energy use.

Demonstrating our support for environmental protection

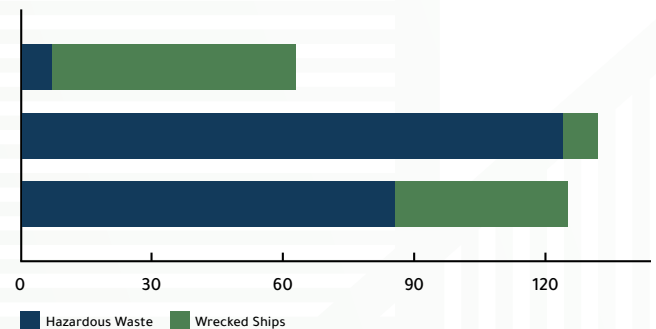
In 2022, Boursa Kuwait once again reinforced its partnership with the Environmental Voluntary Foundation (EVF) and the Kuwait Dive Team, in association with the United Nations Environmental Programme, sponsoring the 2022 National Campaign to Remove Hazardous Waste from Kuwait Bay and its Beaches for the third consecutive year and supporting the Dive Team's efforts for the preservation of Kuwait's marine environment.

Operating under the umbrella of the EVF, the Kuwait Dive Team is committed to the preservation of the marine life in and around the Kuwait Bay, one of the richest, most diverse ecosystems in the Gulf and a key contributor to the Kuwaiti economy.

In 2020, Boursa Kuwait's activities with the Kuwait Dive Team resulted in the removal of approximately 63 tons of various waste from the Kuwait Bay by the company sponsored Boursa Boat. These trips included a two-ton clearing of hazardous waste from beaches and islands, eight trips to clear 4.8 tons of fishing nets, and six operations to remove wrecked ships and boats with the combined weight of 56 tons.

Meanwhile, the exchange's activities with the Kuwait Dive Team in 2021 resulted in the removal of over 130 tons of various waste from the Bay, including a 104-ton clearing of hazardous waste from beaches and islands, 38 trips to clear 20 tons of fishing nets, and eight operations to remove wrecked ships and boats with the combined weight of eight tons.

In 2022, the company sponsored Boursa Boat successfully removed more than 120 tons of waste from the Kuwait Bay, including the clearing of 85 tons of hazardous waste and fishing nets from more than 30 locations as well as the clearing of 11 ships and boats weighing more than 40 tons.



Boursa Kuwait also lit its building in blue to highlight the role of the youth in climate action during United Nations Day 2022, in collaboration with the United Nations, the United Nations Development Programme (UNDP) and the Environmental Voluntary Foundation (EVF).



United Nations Day takes place around the world on October 24 of every year, with an aim to highlight the role of the United Nations in achieving the United Nations SDGs and the key role the agency's partners play to support these goals, with this year's theme being "Youth Driving Ambition 4 Climate Action". In addition to the Boursa Kuwait building, several other buildings around the world were adorned with blue lights.

Boursa Kuwait participated in this year's festivities to raise awareness to this cause as part of its Corporate Sustainability strategy, which aims at creating long-term value for the company's stakeholders in the economic, social and environmental dimensions, while creating a meaningful impact on the community in which the bourse operates.

COP27

During the United Nations Climate Change Conference (COP27) held in November 2022 in Sharm El Sheikh, Egypt, Kuwait announced a country-wide commitment to reach carbon neutrality by 2050 in the oil and gas sector and other sectors by 2060. A member of the Sustainable Stock Exchanges Initiative (SSE) since 2017, Boursa Kuwait participated in COP27, joining in seminars and discussion panels, one of which was about the role of stock exchanges in promoting innovative climate solutions and discussing the specific targets exchanges are developing to contribute to a Net Zero future.





ESG Disclosures and Appendix



ESG Disclosures and Appendix

Global Reporting Initiative Standards (GRI) Index

GRI STANDARDS / OTHER SOURCE		DISCLOSURE	LOCATION / REMARKS
General disclosures			
GRI 2 : General Disclosures 2021	2-1	Organizational details	Information on the organization can be found in various sections of the report
	2-2	Entities included in the organization's sustainability reporting	Boursa Kuwait Securities Company (K.P.S.C.)
	2-3	Reporting period, frequency and contact point	1 January to 31 December 2022 Annual reporting ESG@boursakuwait.com.kw
	2-5	External assurance	Save for selected financial data, which was extracted from the audited consolidated financial statements, other data has been internally reviewed and verified
	2-6	Activities, value chain and other business relationships	Please refer to pages 20 - 21 and pages 20 - 21 of our Annual Report
	2-7	Employees	Please refer to pages 42 - 45
	2-8	Workers who are not employees	Nil
	2-9	Governance structure and composition	Please refer to pages 30 - 33
	2-10	Nomination and selection of the highest governance body	Please refer to page 32
	2-11	Chair of the highest governance body	Please refer to page 30
	2-15	Conflicts of interest	Please refer to page 34
	2-17	Collective knowledge of the highest governance body	Please refer to pages 30 - 31 and pages 46 - 49 of our Annual Report
	2-18	Evaluation of the performance of the highest governance body	Please refer to pages 31 - 32
	2-19	Remuneration policies	Please refer to pages 61 - 62 of our Annual Report
	2-20	Process to determine remuneration	
	2-22	Statement on sustainable development strategy	Please refer to pages 24 - 25
	2-23	Policy commitments	Please refer to pages 34 - 36
	2-24	Embedding policy commitments	Please refer to pages 34 - 36
	2-26	Mechanisms for seeking advice and raising concerns	Please refer to pages 35 - 36
	2-27	Compliance with laws and regulations	Please refer to pages 36 and 38
	2-28	Membership associations	Please refer to page 15
	2-29	Approach to stakeholder engagement	Please refer to page 26
	2-30	Collective bargaining agreements	Not applicable
Material topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Please refer to page 26
	3-2	List of material topics	Please refer to page 27

Economic performance			
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Please refer to page 12
	201-2	Financial implications and other risks and opportunities due to climate change	No financial implications and other risks and opportunities due to climate change
	201-4	Financial assistance received from government	No financial assistance received from government
Market presence			
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	There is no gender pay gap. All benefits and wages are equal between males and females
	202-2	Proportion of senior management hired from the local community	Please refer to page 45
Indirect economic impacts			
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	Please refer to pages 46 - 52
Procurement practices			
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Please refer to page 53
Anti-corruption			
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Boursa Kuwait continues to maintain systems and controls to mitigate compliance risk
	205-3	Confirmed incidents of corruption and actions taken	No incidents of corruptions in 2022
Anti-competitive behavior			
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions regarding anti-competitive behavior or violations of anti-trust and monopoly, cases or incidents where Boursa Kuwait is participating in, nor any legal actions, decisions or judgements
Energy			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Please refer to page 56
Water and effluents			
	303-5	Water consumption	Please refer to page 56

Emissions			
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Please refer to page 57
	305-2	Energy indirect (Scope 2) GHG emissions	Please refer to page 57
	305-3	Other indirect (Scope 3) GHG emissions	Please refer to page 57
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Please refer to page 57
Employment			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Please refer to page 42
Occupational health and safety			
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Please refer to page 45
	403-9	Work-related injuries	No work-related injuries in 2022
Training and education			
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Please refer to page 45
	404-2	Programs for upgrading employee skills and transition assistance programs	Please refer to Appendix A
	404-3	Percentage of employees receiving regular performance and career development reviews	Please refer to page 43
Diversity and equal opportunity			
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Please refer to page 44
Non-discrimination			
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination reported in 2022
Freedom of association and collective bargaining			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable
Child labor			
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	There is no significant risk for incidents of child labor in Boursa Kuwait procurement practices
Forced or compulsory labor			
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	The is no significant risk for incidents of forced or compulsory labor in Boursa Kuwait procurement practices

Local communities

GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Please refer to pages 46 - 51
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Supplier social assessment

GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Please refer to page 53
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Customer privacy

GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints of breaches of customer privacy and losses of customer data were reported in 2022
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ESG Disclosures and Appendix

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

Sustainability Accounting Standard- SECURITY & COMMODITY EXCHANGES

Table 1. Sustainability Disclosure Topics & Accounting Metrics

Topic	Code	Metric	Details	Units
Promoting Transparent & Efficient Capital Markets	FN-EX-410a.1	(1) Number and (2) average duration of (a) halts related to public release of information and (b) pauses related to volatility	(a) In 2022, there were 41 instances of halt related to public release of information by companies with varying degree of average duration. (b) In 2022, there were 7,075 pauses related to volatility, each of which lasted for approximately 2 minutes	Number, Minutes
	FN-EX-410a.2	Percentage of trades generated from automated trading systems	Not applicable	Percentage (%)
	FN-EX-410a.3	Description of alert policy regarding timing and nature of public release of information	Based on CMA Executive Bylaws, Module Ten Article No. (4-1-1) Definition of Material Information and Article No. (4-2) Timing of Disclosure of Material Information	
	FN-EX-410a.4	Description of policy to encourage or require listed companies to publicly disclose environmental, social, and governance (ESG) information	Boursa Kuwait has developed Environmental, Social and Governance (ESG) reporting guide with the aim of supporting Kuwaiti listed companies disclose on ESG issues and their corporate sustainability practices, in order to meet the growing needs of various stakeholders, including investors, customers, suppliers, and regulators for transparent and regular information. Boursa Kuwait has amended this guide to fulfill the requirements of Article No. (1-17-3) of Module Twelve Listing Rules of the Executive Bylaws of the CMA	
Managing Conflicts of Interest	FN-EX-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	There are no judgments ruled against the company that include monetary losses	Reporting currency
	FN-EX-510a.2	Discussion of processes for identifying and assessing conflicts of interest	Please refer to page 34	
	FN-EX-550a.1	(1) Number of significant market disruptions and (2) duration of downtime	No disruptions during the year and the duration of downtime is nil	Number, Hours

Managing Business Continuity & Technology Risks	FN-EX-550a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	No data breaches throughout the year including those involving personally identifiable information and no customers were affected	Number, Percentage (%)
	FN-EX-550a.3	Description of efforts to prevent technology errors, security breaches, and market disruptions	The company uses a Layered Security Model, a state-of-the-art technology that starts with Information Security Management System (ISMS) policies, which are administrative controls on all elements of embedded controls including technology training and security awareness training to end-users	

Table 2. Activity Metrics

Code	Metric	Details	Units
FN-EX-000.A	Average daily number of trades executed, by product or asset class	Total Trades: 2,891,125 Trading days: 244 Average daily number of trades executed: 11,849	Number
FN-EX-000.B	Average daily volume traded, by product or asset class	Total traded Volume: 55,974,418,483 Average daily volume traded: 229,403,354.4	Reporting shares

ESG Disclosures and Appendix

Appendix A: Employee training courses in 2022

Risk & Surveillance in Capital Market
After Effects CC 2021 Motion Graphics
Learning After Effects 2022
ESG Rating & Scoring
Introduction to Behavioral Economics
Master Business Writing and Editing
Fundamentals of Finance and Accounting for Non-Financial Managers
ITIL 4 Foundation
Time Management & Stress Control
Navigating Change: Decision-Making, Negotiation and Leadership Strategies
Central Counterparty, Clearing Houses and Exchanges
Managing Multiple Tasks Priorities and Deadlines
Market Participants for Asset Managers
Job Analysis
Job Evaluation
Financial & Valuation Modeling Certification Program
Sustainability Facility Professional
Advanced Excel
IPOs
CFO Masterclass
Certificate in IFRS
Cert IFRS
Strategic Stakeholders Management
Organizing the Project and Its Component
Contract Management
AML CFT Regulation and Supervision of Virtual Assets
Earnings Call Masterclass
Driving Digital Marketing Strategy
Building and evaluating internal control systems according to COSO framework
Fintech & Blockchain Masterclass Understanding the Relation
Securities Lending
Advanced Data Analysis and Dashboard Reporting
Collateral Management
Understanding Patent, Trademarks & Copyrights
FISD FIA
Leadership Skills
Online awareness sessions on Code of Conduct, ethical workplace standards, and discrimination and harassment.

